

# IBM

EAM — EDPM

## Customer Engineering

## Territory Operations

### INTERNATIONAL BUSINESS MACHINES CORPORATION

590 MADISON AVENUE, NEW YORK 22, N. Y.

#### AGREEMENT FOR SALE OF IBM MACHINES

NAME AND ADDRESS:

Agreement No.

### INTERNATIONAL BUSINESS MACHINES CORPORATION

590 MADISON AVENUE, NEW YORK 22, N. Y.

#### IBM MAINTENANCE AGREEMENT

To: INTERNATIONAL BUSINESS MACHINES CORPORATION  
ADDRESS:

Agreement No.

Service Commencement Date  
\_\_\_\_\_, 19\_\_\_\_

IBM is hereby authorized to render maintenance service on the machines and devices (hereinafter collectively called the machines) listed below in accordance with the terms and conditions set forth below and on the following pages of this Agreement.

Machine Location

Street Address

City

State

DESCRIPTION

MONTHLY MAINT.  
FINANCE CHARGE  
LESS RECEIPTS

International Business Machines Corporation  
Y., agrees to sell, on the  
the machines and devices  
re fully described in the

g charges will be paid by

ner designated, levied or  
lege or excise taxes based  
respect of the foregoing.

er shall be borne by the

g in full upon the later of  
ion covering such machine,  
and the Purchaser.

RECEIVED

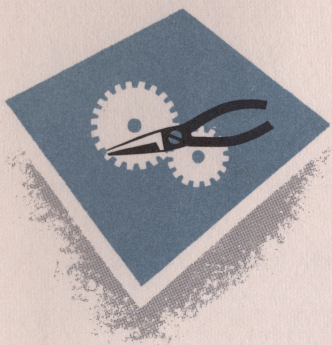
AMOUNT



## Contents

Sales Agreements—New Machines	2
Sales Agreements—Installed Machines	5
Maintenance Agreement	7
Time and Material Service	12
Call Reporting and Service Codes	14
Parts, Tools, Test Equipment	21
Parts Accounting and Inventory	25
Instruction and Reference Literature	27
Engineering and Specifications Changes	29
Territory Operation	30
General	32
1. Reconditioning	32
2. Training—non-IBM Personnel	32
3. Suggestions—non-IBM Personnel	32





## Introduction

The Customer Engineering Department is looking forward to the opportunity of rendering its traditionally high quality service to all customers who purchase EAM-EDPM equipment under the new IBM Sales Plan.

This booklet has been prepared to answer your questions regarding the sale and maintenance of EAM-EDPM equipment and to acquaint you with the responsibilities of the IBM Customer Engineer in this area.

If a customer chooses to purchase equipment from IBM, he may elect to purchase new machines or machines already installed. Machines already installed or installed by July 25, 1958 will be available for purchase up through July 25, 1958. IBM service will be available to the customer either through a Maintenance Agreement or a Time and Material basis.

Therefore, Customer Engineers may now service three (3) categories of equipment.

- Status 1. *Lease Agreement.* IBM-owned machines or devices leased to customers or used by IBM.
- Status 2. *Maintenance Agreement.* Customer-owned IBM machines or devices on which IBM has a written Maintenance Agreement.
- Status 3. *Time and Material.* Customer-owned IBM machines or devices that are not covered by a Maintenance Agreement.

The sale of EAM equipment will affect your daily Customer Engineering operations. It is imperative that you acquaint yourself with the information contained in this booklet and that you keep the booklet readily available for continued reference.





## **Agreement for sale of new IBM machines**

When a customer purchases EAM machines, either new or installed, a contract will be made stating the conditions and IBM responsibilities of the sale. This contract is called the Sales Agreement. The Sales Agreement affects the Customer Engineer and we are accountable to the conditions stated below.

### **Installation of machines**

The customer will be furnished an Installation Manual covering the various types of machines he is purchasing. Essentially, this manual will contain power requirements, electrical outlet specifications, machine weights, BTU output, air conditioning requirements and other information relating to complete and satisfactory installation of IBM equipment. As in the case of rental machines, the purchaser is to furnish all labor required for unpacking and placing each machine at the desired location.

It is the Branch Manager's responsibility to notify the purchaser in writing that the machine has been placed in good working order ready for use. The date of such notification shall be considered the date of installation and also signifies the commencement of the warranty period. The CE will follow the same procedure as on rental equipment. He should notify the dispatch clerk.

### **Warranty**

The warranty on a *new* machine is divided into two parts:



- a. During the first 90 days after installation, we will make all necessary adjustments, repairs or parts replacement during IBM's normal working hours, Monday through Friday, except holidays.
- b. For the next 9-month period, IBM's obligation is limited to furnishing a replacement part for a part which, in IBM's opinion, is determined to be defective. The exceptions are: vacuum tubes, crystal diodes or transistors.

If it is found that the machine or machines are being used in excess of 40 hours per week, the agreement gives us the right to reduce the 12 month parts warranty in direct proportion to machine usage over 40 hours per week.

The warranty is available to only the original purchaser, and is non-transferable.

### Accident, neglect, misuse

The furnishing of a new part to replace one that is defective is predicated upon normal machine usage. If it is found that the customer, through neglect, misuse, carelessness, accident, etc. requires a part or parts to be replaced, we may bill for such part or parts plus labor to install it.

### Working hours

Warranty service will be performed during IBM's normal working hours Monday through Friday, except holidays. If a customer requests service outside of our normal working hours during the warranty period, he will be billed at the rate of time and one-half during Monday through Saturday, and double time on Sundays and holidays.

### 15-mile service distance

If a customer is located beyond a 15-mile distance from our service location (including resident locations), he is to be billed actual travel expenses (automobile mileage, hotel, meals, etc.), exclusive of traveling time. The mileage charge will start after 15 miles.



### Installation of non-IBM devices, accessories and attachments

A customer may add a non-IBM accessory, device or other attachment to a machine on warranty. However, IBM shall not be required to adjust or repair any machine or part, if it would be impractical for IBM personnel to do so because of such alteration. The individual case must be decided by Branch Office management.

### Parts replacement

All parts replacement on purchased new machines (including purchase option) are to be new parts. All parts replacement will be on an exchange basis which means that the removed parts become IBM property and should be returned to the office for scrapping or returned to the plant if salvable. Parts of negligible value should be scrapped.

### Engineering and sales changes

Sales changes made at any time following installation will be billed to the customer at prevailing prices.

Engineering changes will be installed where necessary during the first 90 days and will not be billed to the customer. After the first 90 days, these changes will be made in accordance with the terms and conditions of Maintenance Agreement or Time and Material service, depending upon the type of service the customer desires.

### Service

The agreement states that IBM will make service available on any customer-owned IBM machine. This may be either a Maintenance Agreement or Time and Material service as the customer requests. The sequence, promptness, and quality of service will be identical with that now provided to rental customers.



**Exercise of rights  
to purchase  
installed IBM machines**



**Warranty**

Warranty on purchased installed machines less than one year of age from initial installation is identical to the new machine warranty, except it is for that portion of the warranty period which has not expired since the initial installation of the machine.

**Machines more than one year of age  
from date of first installation**

If an installed machine is over one year of age from date of first installation, there is no warranty beyond being in good working order. Customer Engineering's obligation on this type of sale is as follows:

- a. The preventive maintenance status of the machine should be reviewed and, if necessary, action taken to bring it up to the proper standard.
- b. All Engineering and Safety changes ordered for such machines which have been received but uninstalled, should be installed.
- c. Instructions will be issued separately covering the removal of "Property of IBM" tags, and for the handling of installed but crippled devices.

Customer Engineering is not obliged to clean, refinish, or touch up machine covers as part of the agreement to sell an installed machine.



### Sales changes

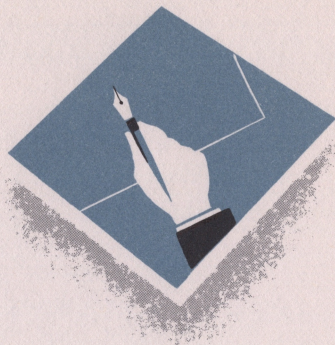
The customer purchases an installed machine according to the specifications of the machine at the time of the transaction. Once the machine is purchased, any Sales change ordered by the customer will be billed at prices then in effect.

### Working hours

We will render service on any unexpired warranty the same as if the machine had been purchased new, during IBM's normal working hours, Monday through Friday, except holidays. If the customer requests warranty service or service outside of the scope of this agreement at hours other than IBM's normal working hours, he will be billed overtime rates for service at time and one-half for weekdays and Saturdays, and double time for Sunday and holidays.



**IBM**  
**maintenance**  
**agreement**



The IBM Maintenance Agreement is a contract to provide service to customers who purchase new or installed IBM machines.

**Type of service to be performed**

Type of service to be performed on a Maintenance Agreement will be the same as the maintenance service in effect for rental equipment. It will consist of scheduled periodic inspections, at which time we will lubricate, clean and make necessary adjustments to the mechanisms of the machine, replacing unserviceable parts as necessary. This work will be done during IBM's scheduled working hours, Monday through Friday, except holidays. Our agreement with the customer is to keep his machines in good working order. The preventive maintenance schedule will be developed by IBM in cooperation with the customer.

The service also includes emergency repair, at which time we will correct the reported trouble and replace unserviceable parts, during our regular business hours.

**Types of machines and devices covered**

All EAM and EDPM machines and devices may be covered by maintenance agreement. The terms and conditions have been written to cover both EAM and EDPM equipment.



### Responsibility for procuring maintenance agreement

It is the responsibility of the Sales Department to negotiate the Maintenance Agreement.

### Maintenance agreement price

The Maintenance Agreement prices have been established for the various models of each machine type. Separate Maintenance Agreement prices have been established for IBM Special Devices and Additional Features.

When a special device or additional feature is added to a machine while on maintenance contract, the maintenance agreement charge for that machine will automatically be increased, effective upon completion of the installation of the features.

### Machines located 15 miles beyond an IBM service location

There is no increase in the Maintenance Agreement charges because a customer is located beyond a distance of 15 miles from our nearest service location. However, such customers are billed for all traveling expenses incurred by the Customer Engineer on emergency calls. Traveling expense means mileage, hotel, meals, etc. and does not include the time spent traveling to the customer's location. Distance, for the purpose of computing travel expense, will be considered to start at a point 15 miles from the service location.

If the Customer Engineer services more than one customer in an outlying area, whether it be a rental customer or purchase Maintenance Agreement customer, or a combination of both, the traveling expense is to be apportioned equally among the several customers involved.

### Engineering and sales changes

#### *Engineering changes*

We will make engineering changes on machines covered by Maintenance Agreement on the same basis as is presently done on rental equipment. CEM changes are to be installed where the anticipated improvement in machine



performance will justify the expense of making the installation. Essential CEM changes can be installed on all machines in the Customer Engineer's territory and "as required" CEM's should be installed in accordance with the application of the individual machine.

#### *Sales changes*

If a Maintenance Agreement customer orders a sales change to be field installed, this is considered to be outside the scope of the agreement and is, therefore, billable at the standard charges for this type of service.

### Parts

#### (a) *Furnished with maintenance agreement*

In order to maintain the equipment in good working order, we will replace all unserviceable maintenance parts on an exchange basis. Exchange basis means that the removed part becomes our property. Our policy to install new parts will be used.

The price of all parts is included in the Maintenance Agreement. Therefore the customer is not to be billed for parts if maintenance service is furnished outside the schedule of the agreement.

#### (b) *Parts and supplies excluded from the agreement*

Our agreement with the customer does not include the furnishing of platens, supplies or accessories. Any items that are supplied gratis to our rental customers will also be supplied gratis to Maintenance Agreement customers. All other parts and supplies must be purchased.

#### (c) *Disposition of used parts*

Since unserviceable parts become the property of IBM, such parts are to be removed from the customer's premises and returned to the office for either scrapping or return to the plant if salvable. This does not include parts of negligible value.

### Changes in machine speed or other specifications

The price of the Maintenance Agreement is predicated upon



the specifications of the machines at the time the agreement is signed. If it is found that the speed of the machine has been increased or the original specifications changed, IBM reserves the right to adjust the charges or remove the machine from the Maintenance Agreement.

#### Maintenance agreement service does not include the following:

- (a) Electrical work external to the machine.
- (b) Repair or maintenance of non-IBM accessories, attachments, machines, devices, or boxes that may be attached to or connected electrically or mechanically to IBM manufactured machines.
- (c) Repair of damage resulting from accident, neglect, misuse, failure of electrical power or air conditioning or causes other than ordinary use. Work done by Customer Engineers, as a result of the items listed above, should be billed to the customer after a complete explanation has been given to the CE Manager.
- (d) Repairs due to defective non-IBM supplies—cards, supplies and accessories manufactured by other vendors can be used in machines being serviced by IBM under maintenance contract. If, however, these items are defective and cause mechanical or electrical troubles, the situation should be reported to the CE manager.

#### Accessibility

Customers who have machines on Maintenance Agreement, as well as those customers serviced on a Time and Material basis, or rental customers, must furnish "full and free access" to machines in order to properly maintain and repair the equipment.

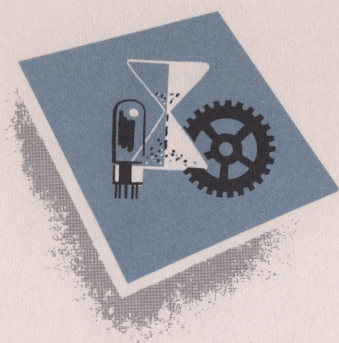
If access to the machines is not made available because of labor disputes, strikes or picket lines, or if the working conditions are detrimental to the health, welfare or morale of our employees, the situation should be reported to the CE Manager.



**Divided responsibility—non-IBM service  
on a contract machine**

If the customer's employees or anyone other than an IBM employee at any time performs maintenance service on machines on Maintenance Agreement, which increases the cost of maintenance substantially, IBM can terminate the agreement at that time. Situations of this nature must be reported to the CE Manager.





## **Time and material service**

### **Description**

Repair and maintenance service, for which a charge will be made for the time spent and the materials used in furnishing such service, will be available, upon request, for purchased IBM machines and devices subject to IBM's prevailing terms and conditions.

Service will be furnished as promptly as practicable. Customer Engineers shall have full and free access to the machines to perform service thereon.

### **Charges**

Charges for Time and Material service will be in accordance with the IBM Rate Schedule in effect at the time such service is rendered and will apply to all services rendered at the customer's request. Services performed outside of IBM's normal working hours will be billed at one and one-half times the regular hourly rate, except on Sundays and holidays when the rate will be double the regular hourly rate.

### **Travel expense**

Charges will be made for the travel time of Customer Engineers, and reasonable travel expenses (such as the fare of public conveyance or automobile mileage at the rate currently in effect, parking fees and bridge and highway tolls) and reasonable living expenses which are incurred by IBM's representatives in order to perform service.



Customer Engineers will not work on a customer's premises after business hours or on Saturdays, Sundays or holidays unless a customer's representative is present and a means of exit from the building or office has been provided.

### Parts

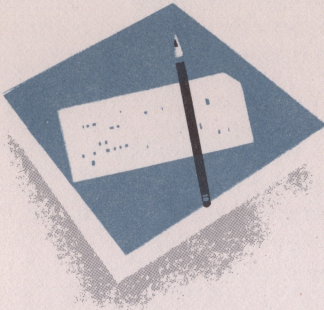
Parts to be furnished will be new parts, or parts equivalent to new if new parts are not available. Customer Engineers will notify the customer whenever an expensive part or assembly of parts is necessary to complete a repair.

### Limitation of Customer Engineers responsibility

Customer Engineers will not repair, alter, or otherwise service electrical wiring, power outlets, terminal boxes or power fuses, external to the machines. The correction of defects in such wiring and power outlets is the responsibility of the customer.

If IBM's CE's determine the malfunctioning is due to a non-IBM device or attachment, they will so notify the customer but will not service such non-IBM device or attachment.





## **Call reporting**

### **Call report form**

The call report has been redesigned to provide the necessary information for operation under the Consent Judgment. Basically, the call report is the same. However, EAM CE's will now be required to complete additional information.

The new call report becomes effective beginning with the December call reporting period on 11-24-56.

### **Customer Engineer's responsibility when completing the new call report**

The following items are new to EAM CE's.

- a. *Status code* (Mo. Chg., M/A or Time and Material).  
It will be necessary that the CE check the applicable box for *all* calls.
- b. *Billable* This box must be checked as an indication to the branch office clerical staff that billable items are contained on the call report. When there is any doubt as to whether a call is billable, the CE should contact the branch office.
- c. *Parts* The quantity, part #, and description of all parts used on all status calls must be indicated in the parts section of the call report. The branch office clerical staff will apply the unit prices and make the price extension. Packaged bill of material number should be listed in the parts section of the call report with the CEM and MES number to which it applies listed in the narrative section.



d. *Billable time* When applicable, this is the total time required for the call. Minimum charge on Time and Material service and on Maintenance Agreement outside regular schedule will be for one hour.

e. *Billable travel expense* The applicable rate multiplied by the billable mileage. This computation must be made in a small box "a" on the call report. Billable mileage is explained below.

f. *Billable mileage* (Status 1 and 2)

When mileage is to be billed to customers located at a distance of 15 miles beyond the nearest point of service, it should be computed as follows:

1. If a CE starts from a point of service to travel to the customer's location, the mileage billed one way should be actual mileage less the first 15 miles. For example, if a customer is located 40 miles from the nearest point of service he will be billed for 25 miles for a one-way trip. (If a return trip is made, the customer would be billed for 50 miles.)

2. If a CE is at a customer when he receives a call from the dispatcher, to take a call at a customer located beyond 15 miles from the nearest point of service, mileage should be computed as follows:

a. If the distance to the customer is less than the mileage from our nearest point of service (less the first 15 miles), bill for actual miles. For example, if a CE is 18 miles from a customer located 41 miles from the point of service, then the mileage billed should be 18 miles.

b. If the distance is greater than it would have been (less the first 15 miles) had the CE started from our nearest point of service, the customer should be billed for no more than if the CE had started from the nearest point of service. For example, if the CE is 45 miles away from a customer who is located 40 miles from the nearest point of service,



the customer should be billed for no more than 25 miles.

g. *Billable mileage* (Status 3)

Actual mileage incurred (including first 15 miles) should be billed in all cases. This also applies to Maintenance Agreement customers on calls beyond the scope of the agreement.

h. *Customer signature*

On all billable calls, it is *required* that the customer sign the completed call report. If the customer requests parts prices at the completion of a call, the CE should obtain them from the Branch Office. The CE should provide the customer with a duplicate of the billable call report if requested.

### Complete, incomplete and assist

If, in the opinion of the Customer Engineer, a trouble has been corrected during a call, the call is considered *complete*. Calls for intermittent troubles which disappear for any reason, must be checked complete. Billable customers must be informed of the nature of such calls.

For a call where the customer is pressed for time and may demand the use of a machine before the trouble is found, the Customer Engineer should check the call complete. The subsequent return trip to remedy the trouble will be treated as another service call.

An *incomplete* call will be one in which work is left over from one day to another or one in which work must be terminated to await new parts.

*Assist* is used when one Customer Engineer is assisting another and should not be used when assistance is rendered to customer service personnel. On Status 3, if one Customer Engineer assists another because the first could not find the trouble, the customer will be billed for the services of only one man, during the period when the Customer Engineers' time may overlap. During the time when the physical requirements of a job are such that two or more people are required, the customer will be billed for all those required.



## Service codes

A new service code folder listing all codes and their applications became effective in the field on September 22, 1956. The folder explains code and billing application. The following are some questions and answers which may be raised when reviewing the revised service codes:

1. Why were status codes adopted rather than a code for each type of call?

This was done to avoid complete change in code structure. Knowledge of three status codes and basic codes presently in use was considered more beneficial to Customer Engineers.

2. Why are status codes and changes in code structure being placed into effect now when the terms of the Consent Judgment specify January 25, 1957?

To indoctrinate the field to changes in codes and parts accounting in advance of actual applications.

3. How do you determine if a call report is billable?

The service code folder indicates those calls which are billable. In addition, travel expense and parts are billable as described in the Call Reporting section of the Branch Office manual.

4. What is the difference between Codes 01-59 and 60-86?

Codes 01-59 are considered *technical* available hours for accounting purposes. Codes 60-86 are *non-technical* and hours not available for maintenance work.

5. Codes 01, 02, and 08. Why are these codes now used only after 90 days from date of installation for new equipment and from the installed date of field transferred machines?

Because codes 03, 10, and 12 will cover time on both rental and purchased machines during the warranty period.



6. *Codes 03 and 10.* Why include rental machines in these codes?

To make a comparative study of these machines against purchased machines of the same type.

7. *Codes 03 and 10.* How will Customer Engineers be aware of expiration of the 90-day period?

By identification tag on machine or installation date noted on 'Preventive Maintenance Card in machine, and on Customer Engineers' Preventive Maintenance Schedule.

8. *Code 11.* Why was this code established?

To record repairs necessary upon installing machines.

9. *Code 11.* Does this mean only repairs for improper assembly, etc.?

No. It covers all work *other than* normal installation time. This code is that portion of the old code 12 reported on Installation-Inspection reports.

10. *Code 11.* Should this time be listed in detail on Installation-Inspection Report?

Yes.

11. *Code 12.* Is this code different from former code 12?

Yes. Code 12 is now only that portion of the old code 12 relating to *defective parts*.

12. *Code 12.* Why is this code not applicable to Status 3 after 90 days?

IBM's responsibility is to furnish an exchange part, not to install it. Use code 01, Status 3 for this work.

13. *Code 14.* What is the difference between this code and code 57 (Customer Error Systems Service)?

This code now covers only work of a *technical* nature to correct trouble caused by customer.

14. *Code 14.* Why not use code 01 for Status 3 customers?



Customer Engineering desires comparative studies of problems in all three areas.

15. *Code 19.* Why is Status 3 not applicable?

These calls are handled on a time and material basis using code 01. Status 2 applies since these agreements include time and materials.

16. *Code 21.* Explain application of status codes.

Status 1—for IBM-owned machines being relocated as outlined.

Status 2—supervising relocation of customer-owned machines on which we have a Maintenance Agreement. Agreement does not cover relocation supervision or disassembly or reassembly work necessary for relocation.

Status 3—same as Status 2. As indicated, this code is used to install IBM machines purchased from another source, when requested by customer. All such time is billable.

17. *Code 23.* Why is Status 3 applicable only for first 90 days?

We do not anticipate customers requesting assignment of Customer Engineers without a Maintenance Agreement.

18. *Code 27.* Why was this code changed from 18 to 27?

Codes 01-19 are used for trouble analysis to study machine performance. Were code 18 included in this group it would distort this analysis.

19. *Codes 31 and 38.* Are Status 2 and 3 billable?

No. The customer will be charged for the bill of material for the change plus an installation charge. Travel expense beyond 15 miles for these specification changes is billable.

Any parts missing from or required in addition to those shipped with bill of material should be recorded in the call report. These parts are not billable to the customer.



20. *Code 31.* Should Customer Engineer install specification changes, the parts for which are not purchased from IBM?

No. These will be installed by customer. Branch Office should be informed of these changes for both Status 1 and 2.

21. *Code 32.* Will engineering improvements and safety changes be made on customer-owned non-Maintenance Agreement machines?

Yes. Only if customer desires and is willing to be billed for time and material.

- 22 *Code 35.* Does this code include both painted and vinyl covers?

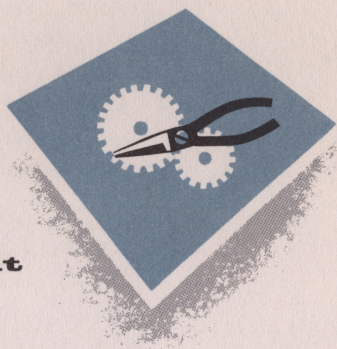
Yes.

23. *Code 57.* (Customer Error—Systems Service) What is the difference between this and code 14?

This code applies to work done of a non-technical nature. Call could have been handled by Sales or Systems Service personnel.



**Parts,  
tools,  
test equipment**



## Parts

*Description* The word "Parts" refers to individual parts, assemblies, and *Packaged Bills of Material*. ("Packaged Bills of Material" are so stamped on the outside of the package in red ink; the B/M number in this case represents the part number for the entire package.) Supplies, such as printing ribbons, pencil leads, and proof machine roll paper are not included as parts.

*"New" and "Equivalent to New" Parts* Parts classed as "New" are those parts or assemblies manufactured of entirely new material.

"Equivalent to New" parts. For machines no longer in production IBM makes use of some parts recovered as a result of parts returned from the field and from the dismantlement of machines retired from field use. These parts are processed through the Quality Control inspection in the same manner as new parts.

*Identification* "Equivalent to New" parts are identified by a "9" prefix in the 7th position of the part number. In addition, the "9" is physically stamped on the component part, (on assemblies "A9"), on all such parts shipped since September 15, 1956.

Example: 9020313 Clutch Lever Assembly (equivalent to new)

120104 Brush Block Assembly (new)

*Use of Parts* CE's will use only new parts whenever available. For some older types of machines, no longer in pro-



duction, there will be no source for new parts. In this case, equivalent to new parts will be used.

*Warranty* Except for vacuum tubes, crystal diodes, and transistors, parts in new accounting machines are warranted against defects in material and workmanship for the first year from date of installation of the machine.

*Defective Parts* As stated above, parts are warranted against defects in material or workmanship for the first year after the installation date of the machine on the parts originally built into that machine. On all calls (Status 1, 2 and 3) the procedures for the disposition of defective parts will be essentially the same as before.

Where the customer uses non-IBM service, defective parts claims will be handled by the Office Manager together with any technical assistance needed from Customer Engineering.

*Disposition of Used Parts* The parts appearing in the EAM Used Maintenance Parts Returnable Listing dated 7/16/56 (and revisions) may be returned to the Plants for Used Parts Credit. Since allowances for these parts are credited against the parts cost of the replacement, the Part Return tag 10-8600 must be completed by the Customer Engineer who is to enter the Service Code and Status for the replacement parts, in addition to "Machine Type and Serial" and Quantity.

The Customer Engineer should return only those used parts to the Branch Office which have been removed from a Status 1 or 2 machine.

Used parts replaced on a Status 3 machine are the property of the customer. Customer Engineers will not remove these parts from the customer's premises.

*Parts Prices* Each Branch Office has a selling price list of parts.

Requests for information regarding the price of a part number not available in the price list should be referred to the Plant Order Department.

*Selling of Parts* The selling of parts to customers or others servicing IBM equipment will be done through the Branch Office by the office clerical staff.

Parts may be sold directly from stock. In the case of parts not available locally, or orders for excessive quantities, a supply order will be forwarded to the Plant for handling.



The Customer Engineer should refer all inquiries for the purchase of parts to the Office Manager.

*Spare Parts List by Machine Type* Customers servicing their own equipment may request advice regarding spare parts stocking recommendations. Lists have been developed indicating recommended initial quantities of parts by machine type. These lists will be furnished to the Branch Office Sales Department for use with customers.

## Tools

*Description* The word "Tools" in this section will mean only those tools used by Customer Engineers for maintenance and repair of IBM manufactured equipment. It will generally include tools under the following categories:

### 1. CE Tool Kit

Examples: Part #450495—(6" Screwdriver)  
Part #10480—(Go-No-Go Gauge)

### 2. Branch Office Tools

Examples: Part #450340—(Electric Drill)  
Part #123635—(Counter Gauge)

### 3. Special Tools (designed for a single use or a limited number of uses)

Examples: Part #454350—(Drum Head Wrench)  
Part #450720—(Speed Reducer)

## Sale of tools

Customers may enter order for tools with the Branch Offices. Customers should be encouraged to secure tools from local vendors where possible.

IBM manufactured tools will be sold the same as parts.

Prices for IBM manufactured tools will be included in a Price List Supplement.

## Test equipment

*Description* The words "Test Equipment" in this section will mean only those testing devices used by Customer En-



gineers for maintenance and repair of IBM manufactured equipment. Testing equipment used by IBM falls into four classifications depending on its method of procurement.

1. IBM manufactured

Example: Part #454105—Dynamic Timer Power Pack

2. Vendor manufactured for IBM

Example: Part #454325—Diode Tester

3. Standard item, modified to IBM specifications

Example: Part #450526—Waterman Oscilloscope  
S-11A

4. Open market—Commercially available

Example: Part #450497—Simpson Meter, Model 260

*Sale of Test Equipment* Customers may purchase test equipment needed to service purchased IBM machines. Orders should be place in the Plants by the Branch Offices.

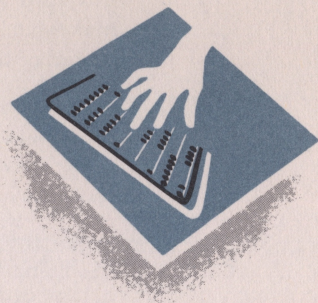
Customers should be encouraged to purchase instruments available on the open market from local vendors.

*Repair of Test Equipment* IBM will repair test equipment manufactured by IBM upon request from the customer. Refer requests to the Office Manager.

IBM Customer Engineers will not repair customer-owned test equipment.



# **Parts accounting and inventory**



## **Customer Engineering responsibility**

The Customer Engineer must record parts usage on the call report, as follows:

1. Record all parts used.
2. Record part number, description and quantity. (Office clerical staff will record price.)
3. When repairs requiring parts are made to more than one machine, 24-56, it is not permissible to list all the parts on one call report. The part must be applied to the machine on which the part is used. This is necessary to establish factual parts costs for each machine.
4. The Customer Engineer must be careful to apply the correct part number and name. This will assist the office clerical staff in applying the correct price.
5. A withdrawal card is to be filled out for parts withdrawn from stock. The purpose of this card is to assist in the control of parts.

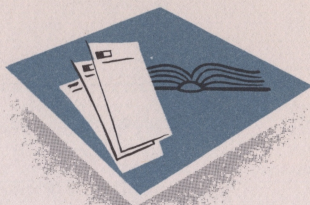
All parts are originally charged to the Branch Office inventory. (Except Sales changes—these are charged to Sales). Therefore, it is necessary to account for all parts withdrawn from stock. The Customer Engineer's present inventory of parts, plus his withdrawals, less parts recorded on call reports, should balance to his next inventory.



6. The withdrawal card should be used in conjunction with the use of parts stocked in all outside locations as this card will be the means of replenishing stock and also when returned to the office, it will serve as the record of the person making the withdrawal.
7. A Customer Engineer, working outside of his own territory and using a part from a parts cabinet in a customer location, should make out a withdrawal card and leave the card at the location.
8. When one Customer Engineer assists another, the man supplying the part should be the only one to record the usage. When one Customer Engineer is assisting another and only the time of one is billable, the call report which is checked "billable" should show the parts used.
9. The Customer Engineer may receive requests for parts from customers which cannot be accounted for on a call report, such as sorting brushes, fuses, etc. These requests should be referred to the office staff for filling and mailing to the customer.



**Instruction**  
**and**  
**reference literature**



### EAM Customer Engineering Memorandums

The purpose and content of Customer Engineering Memorandums will not be changed. They will contain information which will assist the Customer Engineer in servicing EAM machines. This information will be of a technical nature and will cover service hints, release of improved parts, improved methods of packing and unpacking equipment, parts catalog corrections or changes, use of tools and testing equipment and the release of new tools. CEM's will also explain temporary fixes or changes with a statement that a permanent solution will be released on a later CEM.

The words "Safety Memorandum" or "Essential Memorandum" will now appear in the ending of the CEM instead of above the title.

### IBM Service Memo

IBM Service Memos are reprints of EAM CEM's for distribution to customers. They will bear the same number as that of the corresponding CEM and will differ from the CEM only in color, heading and ending. The ordering and reference information in the CEM ending will be deleted from the IBM Service Memo. The memo ends with the statement, "FOR INFORMATION, CONTACT THE LOCAL INTERNATIONAL BUSINESS MACHINES SALES OFFICE." If customers or outside service organization representatives request information, they should be referred to the office sales organization.

Back issues of IBM Service Memos, covering all CEM's prior to August 31, 1956, are available by machine type.



Customers may secure IBM Service Memos on a yearly subscription basis through the office sales organization.

### EAM News Letters

News Letters are a medium for intra-company communications and will contain information pertaining to IBM personnel, such as call reporting procedures, service code use, and introduction to new products. They will not contain technical information or service hints and the Customer Engineer need not file them for future reference since they are designed for one time reading. A file copy of all News Letters will be kept in the Branch Office. Distribution will be made to all EAM Customer Engineering Personnel.

### Parts Catalogs

Customers may purchase parts catalogs through the local Branch Office. Parts catalogs are listed by machine type and form number in the "Catalog of IBM Machine Maintenance and Repair Literature."

### Manuals

Customer Engineering *Reference Manuals* are supplied with each machine at the time of shipment from the plants. Additional copies may be purchased by customers or outside service organizations.

*Manuals of Instruction* may be purchased by customers or outside service organizations. Included in these manuals will be all back issues of IBM Service Memos by machine type, in a condensed form, up to August 31, 1956. Any IBM Service Memos after that date will be secured by subscription as explained under "IBM Service Memos."

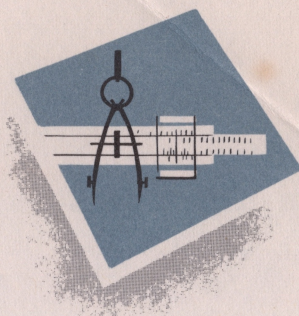
Reference Manuals and Manuals of Instruction are listed in the "Catalog of IBM Machine Maintenance and Repair Literature."

### Customer Ordering

All orders for literature will be handled by the Branch Office.



# **Engineering and specifications changes**



*Engineering Changes* improve machine operation either mechanically or electrically but do not add to or decrease the capacity or speed of the machine. Essential, Quality Control, and Safety Changes are different kinds of Engineering Changes. Any increase or decrease in speed or capacity is not an Engineering Change.

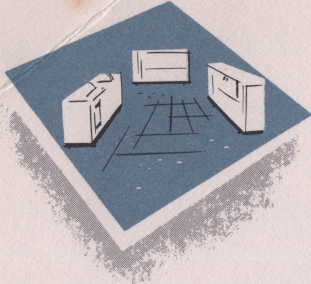
Engineering Changes are announced by CEM and can be applied to rental machines owned by IBM (Status 1) and machines owned by customers and serviced by IBM on a Maintenance Agreement (Status 2). "Essential" changes are of sufficient value that they should be applied to all such machines. "As Required" changes (those for which the CEM is not labeled "Essential" or "Safety") are installed on machines whose use or application make the change desirable.

For machines owned by customers and serviced by IBM on a Time and Material basis, (Status 3), Engineering changes may be installed if requested by the customer. Parts, time and travel expense are billable except for Quality Control changes.

*Specifications (Sales) Changes* increase or decrease the capacity or speed of a machine or add or remove special features. Note: Some voltage changes are also included in this category. These changes will be made, as formerly, to rental machines (Status 1), upon the customer's request and they are billable on a single use charge or rental increase basis.

For customer-owned machines, whether serviced by IBM on a Maintenance Agreement (Status 2) or on a Time and Material basis, (Status 3), the installation of Specifications changes, when requested, is billable.





## **Territorial**

## **operations**

*Operations* Customer Engineers may now be exposed to a variety of situations where outside requests may be made to utilize their training and experience. Extreme diplomacy and tact must be exercised when handling such requests.

*Dispatching* The sequence, promptness and quality of service will not be affected by the status (1-Rental, 2-Maintenance Agreement or 3-Time and Material) of the machine or installation for which the service call has been placed.

*Machine Identification* EAM Service Stickers to show the service status and installation date will be applied to each machine. For those machines which have not passed the warranty period, the installation date must be posted on this sticker. Location of the sticker by machine type will be furnished at a later date by CEM.

*Preventive Maintenance* The Maintenance Agreement states that IBM Customer Engineers will perform periodic inspections on Status 2 machines. Preventive Maintenance on purchased machines not under Maintenance Agreement will be on a Time and Material basis.

The Preventive Maintenance Schedule has been revised to make provision for status code and date installed. These schedules should be completed for all Status 1 and 2 (rental and purchased M/A) machines. A "Preventive Maintenance Booklet" will be released to the field to aid the Customer Engineer in establishing and controlling Preventive Maintenance in his territory.

*Non-IBM Equipment* Customer Engineers will not main-



tain or repair machines, devices, or attachments to IBM machines which are not manufactured by IBM.

*Billing* Customer Engineers will not collect or accept money from a customer for services or supplies. All billing and collections must be handled through the Branch Office.

*Labor Disputes* Caution must be used to prevent IBM being placed in an embarrassing position between the purchaser and his outside service organization when they are on strike or have labor disputes.

Request for service under these circumstances must be handled by the Branch Manager.





## **General**

### **1. Reconditioning**

Customer Engineering cannot perform field reconditioning of customer-owned machines.

In some cases IBM may be requested to accept a Maintenance Agreement on a machine which has been on Status 3 for a considerable time. It may be required to thoroughly inspect the machine and make the necessary repair and parts replacement in order to bring the machine up to an acceptable Maintenance Agreement level. This will be handled with the customer on the basis of an estimate, and billing will be on a time and material basis.

This should be described to the customer as "restoring the machine to an acceptable maintenance agreement standard." The following terminology should *not* be used:

"Reconditioning" "Rebuilding" "Overhaul"

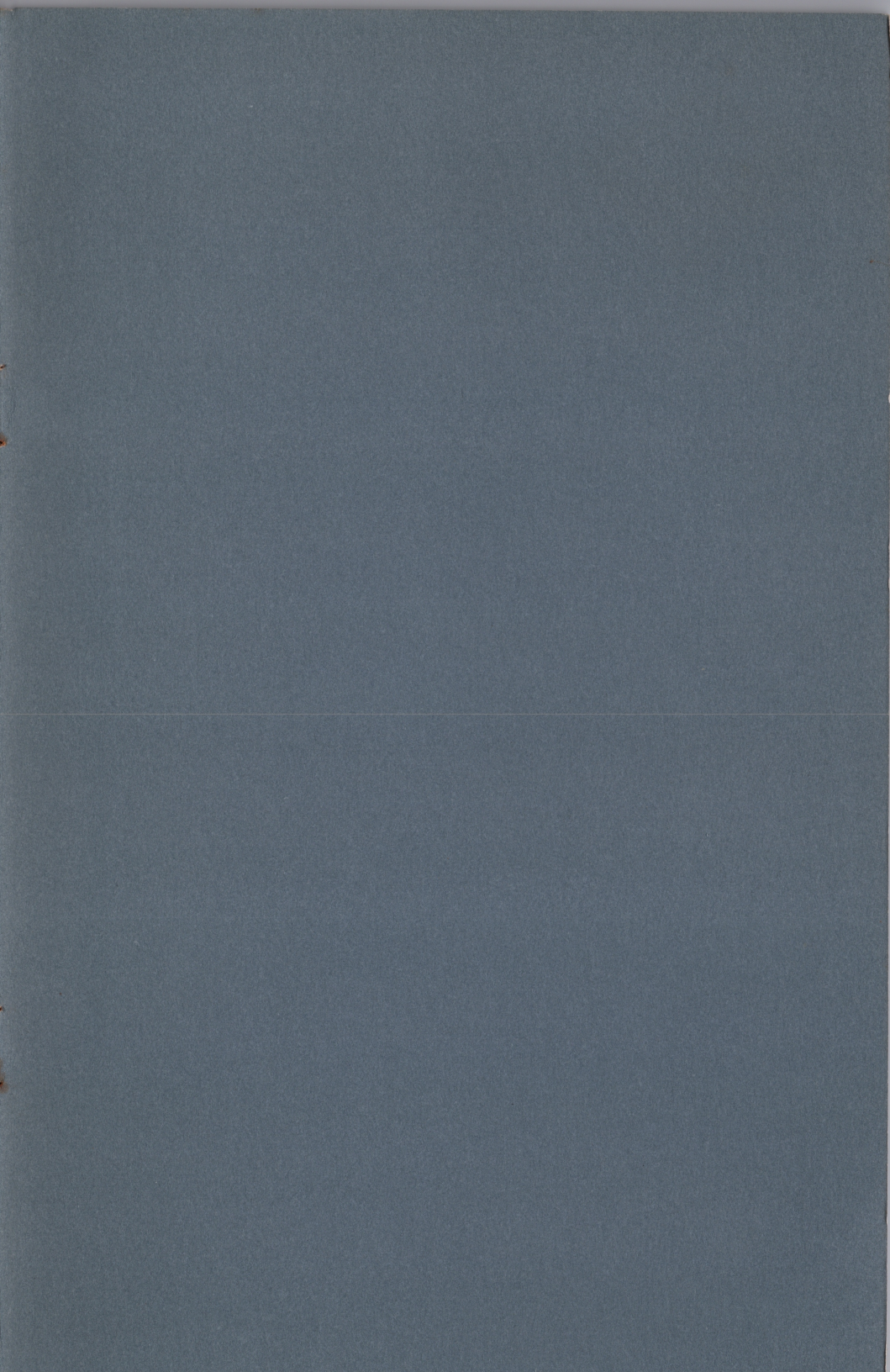
### **2. Training non-IBM personnel**

A training center is being established in Chicago to instruct non-IBM personnel to service IBM machines. A brochure is available outlining the courses of study offered by this facility. It is available at the Branch Office with a list of tuition fees for the courses offered. Customers requesting information on this school should be referred to the IBM Sales Representative.

### **3. Suggestions—non-IBM personnel**

Ideas for the improvement of IBM machines or attachments or devices to be added to IBM machines may be suggested by employees of outside service companies. IBM employees should not discuss these ideas with the suggestor. The Customer Engineer should refer the interested person to the Branch Manager.









INTERNATIONAL BUSINESS MACHINES CORPORATION

590 Madison Avenue

New York 22, New York